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Proposed Counsel for Official Committee of Tort Claimants

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

- Affects PG& E Corporation
 - Affects Pacific Gas and Electric Company
 - Affects both Debtors

25 *All papers shall be filed in the Lead Case,
No. 19-30088 (DM)

**Bankruptcy Case
No. 19-30088 (DM)**

Chapter 11 (Lead Case) (Jointly Administered)

**DECLARATION OF
CATHERINE E. WOLTERING IN
SUPPPORT OF OPPOSITION TO
CORRECTED MOTION OF DEBTORS
PURSUANT TO 11 U.S.C. §§ 105(a), 363,
AND 503(c) FOR ENTRY OF AN ORDER
(I) APPROVING SHORT-TERM
INCENTIVE PLAN AND (II)
GRANTING RELATED RELIEF (Dkt.
No. 806)**

1 CATHERINE E. WOLTERING declares as follows under penalty of perjury:

2 1. I am a partner at Baker & Hostetler, LLP (“**Baker Hostetler**”), proposed counsel to

3 the Official Committee of Tort Claimants (hereafter, the “**TCC**”) in the above captioned chapter

4 11 cases of PG&E Corporation and Pacific Gas and Electric Company (collectively, the “**Debtors**”

5 or “**PG&E**”). I have personal knowledge of the facts stated herein except as to matters where I

6 indicate otherwise, and as to those matters, I believe them to be true. If called upon to testify, I

7 could and would competently do so. I make this declaration in support of the TCC’s opposition

8 (“**Opposition**”) to the Corrected Motion of Debtors Pursuant to 11 U.S.C. §§ 105(a), 363, and

9 503(c) for Entry of an Order (I) Approving Short-Term Incentive Plan and (II) Granting Related

10 Relief (the “**Motion**”) (Dkt. No. 806), which was set for a hearing before this Court at 9:30 a.m. on

11 April 9, 2019 (the “**Hearing**”). The Opposition is filed concurrently herewith.

12 2. On March 12, 2019, the TCC filed its Initial Objection to the Debtors’ Motion

13 Pursuant to 11 U.S.C. §§ 105(A), 363, and 503(C) for Entry of an Order (I) Approving Short-Term

14 Incentive Plan and (II) Granting Related Relief (“**Initial Objection**”) (ECF No. 847). Subsequently

15 the TCC deposed the two individuals submitting declarations in support of PG&E’s Motion (the

16 “**Declarations**”), Dinyar Mistry and Donald J. Friske (collectively, the “**Declarants**”). A true and

17 accurate copy of the deposition transcripts

18 3. For the Court’s reference in its consideration of the Opposition, attached hereto as

19 **Exhibit A** is a true and accurate copy of the deposition transcript of Dinyar Mistry.

20 4. For the Court’s reference in its consideration of the Opposition, attached hereto as

21 **Exhibit B** is a true and accurate copy of the deposition transcript of Douglas Friske.

22 5. For the Court’s reference in its consideration of the Opposition, attached hereto as

23 **Exhibit C-1 through C-22** are the respectively stated exhibits used at the deposition of Dinyar

24 Mistry and Douglas Friske, which (with the exception of Exhibits C-5 and C-7, as discussed below)

25 are true and correct copies of the documents publically available from the United States District

26 Court for the Northern District of California, the California Public Utility Commission’s website,

27 PUC’s website, the California Department of Forestry and Fire Protection’s (“CalFire”) website,

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1 the U.S. Securities and Exchange Commission's website, PG&E's website, and Southern California
2 Gas Company's website, other websites as noted below.

4	C-1	Corrected Declaration of Dinyar Mistry, Dkt. No. 808. ¹
6	C-2	PG&E's 2020 General Rate Case, Exhibit (PG&E-8), Human 7 Resources, Workpapers Supporting Chapters 2-4A, dated 8 December 13, 2018. ²
9	C-3	PG&E's Compensation Committee Charter dated September 17, 10 2017. ³
11	C-4	Trial Order, <i>In re Pacific Gas and Electric Co.</i> , Case No. 01- 12 30923 (DM), 2001 WL 34133840 (Bankr. N.D. Cal. entered Jul. 13, 2001). ⁴
14	C-5	PG&E Email dated February 26, 2014 (PGE-NBF-TAR- 0000722832-33)
16	C-6	<i>CalFire Investigators Determine Cause of Destructive Butte Fire</i> , 17 CalFire News Release, April 28, 2016. ⁵
18	C-7	PG&E Email and Attachment dated November 1, 2016 (PGE- 19 NBF-TAR-0003250382)
20	C-8	Judgment in a Criminal Case, <i>U.S. v. Pacific Gas and Electric Co.</i> , 21 Case No. 14-cr-00175-WHA (N.D. Cal. entered Jan. 31, 2017), 22 Dkt. No. 922. ⁶

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¹ Available from PACER.

25 ² Available at https://www.pge.com/en_US/about-pge/company-information/regulation/general-rate-case/materials.page.

26 ³ Available at <http://www.pgecorp.com/corp/about-us/corporate-governance/corporation-policies/compensation-committee.page>.

27 ⁴ Available from Westlaw (*In re Pacific Gas and Electric Co.*, Case No. 01-30923 (SFM), 2001 WL 34133840
(Bankr. N.D.Cal. Jul. 13, 2001)).

28 ⁵ Available at <http://calfire.ca.gov/communications/downloads/newsreleases/2016/ButteFireCause.pdf>.

⁶ Available from PACER.

1	C-9	<i>CalFire Investigators Determine Cause of Four Wildfires in Butte and Nevada Counties</i> , CalFire News Release, May 25, 2018. ⁷
2	C-10	<i>CalFire Investigators Determine Cause of 12 Wildfires in Mendocino, Humboldt, Butte, Sonoma, Lake and Nappa Counties</i> , CalFire News Release, June 6, 2018. ⁸
3	C-11	Order Instituting Investigation and Order to Show Cause, I.18-12-007, (CPUC issued Dec. 14, 2018). ⁹
4	C-12	Petition for Summons for Offender Under Supervision, U.S. v. <i>Pacific Gas and Electric Co.</i> , Case No. 14-cr-00175-WHA (N.D. Cal. filed Jan. 1, 2019), Dkt. No. 960. ¹⁰
5	C-13	Order to Show Cause why PG&E's Conditions of Probation Should Not be Modified, U.S. v. <i>Pacific Gas and Electric Co.</i> , Case No. 14-cr-00175-WHA (N.D. Cal. entered Jan 9, 2019), Dkt. No. 951. ¹¹
6	C-14	Response to Order to Show Cause why PG&E's Conditions of Probation Should Not be Modified, U.S. v. <i>Pacific Gas and Electric Co.</i> , Case No. 14-cr-00175-WHA (N.D. Cal. filed Jan, 23, 2019), Dkt. No. 976. ¹²
7	C-15	Second Order to Show Cause why PG&E's Conditions of Probation Should Not be Modified, U.S. v. <i>Pacific Gas and Electric Co.</i> , Case No. 14-cr-00175-WHA (N.D. Cal. entered Mar. 5, 2019), Dkt. No. 1027. ¹³
8	C-16	PG&E U.S. Securities and Exchange Commission Form 8K, filed February 2019. ¹⁴
9	C-17	Corrected Declaration of Friske, Dkt. No. 807. ¹⁵
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⁷ Available at [https://calfire.ca.gov/communications/downloads/newsreleases/2018/2017_WildfireSiege_Cause%20v%20AB%20\(002\).pdf](https://calfire.ca.gov/communications/downloads/newsreleases/2018/2017_WildfireSiege_Cause%20v%20AB%20(002).pdf).

⁸ Available at https://calfire.ca.gov/communications/downloads/newsreleases/2018/2017_WildfireSiege_Cause.pdf.

⁹ Available at <http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M246/K120/246120841.PDF>.

¹⁰ Available from PACER.

¹¹ Available from PACER.

¹² Available from PACER.

¹³ Available from PACER.

¹⁴ Available from the U.S. Securities and Exchange Commission's website.

¹⁵ Available from PACER.

1	C-18	PG&E's 2020 General Rate Case, Prepared Testimony, Exhibit (PG&E-8), Human Resources, dated December 13, 2018. ¹⁶
2	C-19	PG&E's Wildfire Mitigation Plan, R.18-10-007 (PUC filed Feb, 6, 2019). ¹⁷
3	C-20	SoCalGas and SDG&E, 2019 General Rate Case, Direct Testimony of Debbie S. Robinson (Compensation and Benefits), Exhibit SCG-30/SDG&E-28, dated October 6, 2017. ¹⁸
4	C-21	Decision Ordering Pacific Gas and Electric Company to Implement the Recommendations of the NorthStar Report, I-15- 08-019 (PUC issued Dec.5, 2018), Dec. No. 18-11-050. ¹⁹
5	C-22	Excerpt of Final Report, Assessment of Pacific Gas and Electric Corporation and Pacific Gas and Electric Company's Safety Culture, Prepared for the PUC, dated May 8, 2017. ²⁰

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14 Exhibits C-5 and C-7 are true and accurate copies of emails the TCC received from Steven
15 Campora. These emails are authenticated in the Declaration of Steven Campora in Support of the
16 Opposition being filed concurrently with this Declaration and the Opposition.

17 6. For the Court's reference in its consideration of the Opposition, attached hereto as
18 **Exhibit D** is a true and accurate copy of the Verified Shareholder Derivative and Double Derivative
19 Complaint, filed on November 21, 2018, in *Williams v. Earley*, No. 4:18-cv-07128, pending in the
20 District Court for the Northern District of California, and available on PACER.

21 7. For the Court's reference in its consideration of the Opposition, attached hereto as
22 **Exhibit E** is a true and accurate copy of the Verified Shareholder Derivative Complaint, filed on
23 December 20, 2018, in *Oklahoma Firefighters Pension and Retirement System v. Lewis Chew*, No.

25 ¹⁶ Available at https://www.pge.com/en_US/about-pge/company-information/regulation/general-rate-case/materials.page.

26 ¹⁷ Available at https://www.pge.com/pge_global/common/pdfs/safety/emergency-preparedness/natural-disaster/wildfires/Wildfire-Safety-Plan.pdf.

27 ¹⁸ Available at: <https://www.socalgas.com/regulatory/documents/a-17-10-008/SCG-32%20Gevorkian%20Prepared%20Direct%20Testimony.pdf>

28 ¹⁹ Available at <http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M246/K120/246120841.PDF>.

²⁰ Available at <http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M235/K399/235399881.PDF>.

1 3:18-cv-04698, pending in the District Court for the Northern District of California, and available
2 on PACER.

3 8. For the Court's reference in its consideration of the Opposition, attached hereto as
4 **Exhibit F** is a true and accurate copy of PG&E's U.S. Securities and Exchange Commission Form
5 8-K, filed dated January 13, 2019, available from SEC's website.

6 9. For the Court's reference in its consideration of the Opposition, attached hereto as
7 **Exhibit G** is a true and accurate copy of the January 30, 2019 Transcript of Proceeding in *U.S. v.*
8 *Pacific Gas and Electric Co.*, No. CR 14-00175 (WHA), pending in the District court for the
9 Northern District of California.

10 10. For the Court's reference in its consideration of the Opposition, attached hereto as
11 **Exhibit H** is a true and accurate copy of Comments of The California Public Utilities Commission
12 in Response to Second Order to Show Cause in *U.S. v. Pacific Gas and Electric Co.*, No. CR 14-
13 00175 (WHA), pending in the District court for the Northern District of California.

14 11. For the Court's reference in its consideration of the Opposition, attached hereto as
15 **Exhibit I** is a true and accurate copy of Debtors' Response To Second Order To Show Cause Why
16 PG&E's Conditions Of Probation Should Not Be Modified in *U.S. v. Pacific Gas and Electric Co.*,
17 No. CR 14-00175 (WHA), pending in the District court for the Northern District of California.

18 12. I declare under penalty of perjury that the foregoing is true and correct.

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20 Executed this 28th day of March, 2019,
at San Francisco, California,

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CATHERINE E. WOLTERING